




OFFICE OF  
**INSPECTOR GENERAL**  
U.S. DEPARTMENT OF THE INTERIOR

September 10, 2012

Memorandum

To: Eric Eisenstein  
Division Chief, Internal Control and Audit Follow-up  
Office of Financial Management

From: Michael P. Colombo   
Regional Manager

Subject: Verification Review of Recommendations of our March 2006 Audit Report,  
“Hawaii Volcanoes National Park: Improved Operations Should Enhance  
Stewardship and Visitor Experience” (Report No. P-IN-NPS-0074-2004)  
Report No. WR-VS-NPS-0011-2012

The U.S. Department of the Interior (Department) Office of Inspector General (OIG) has completed a verification review of the twelve recommendations presented in the subject audit report. The objective of the verification review was to determine whether Hawaii Volcanoes National Park (Park) implemented the recommendations as reported to the Office of Financial Management (PFM), Office of Policy, Management and Budget. PFM reported to OIG when the Park had addressed each of the twelve recommendations in the subject report and provided supporting documentation. Based on our verification, we consider Recommendations 3, 4, 5, 7, 8, 9, 10, 11, and 12 resolved and implemented and Recommendations 1, 2, and 6 resolved but not implemented.

**Background**

Our March 2006 audit report, “Hawaii Volcanoes National Park: Improved Operations Should Enhance Stewardship and Visitor Experience,” contained twelve recommendations relating to the Park’s management of administrative operations.

In a memorandum dated March 1, 2006, the Regional Director, Pacific West Region concurred with the overall findings. The Regional Director, Pacific West Region also provided a list of corrective actions and target implementation dates associated with each recommendation. Based on this response, we considered Recommendations 4 and 5 resolved and implemented. On May 15, 2006, we referred 10 of the report’s 12 recommendations to PFM for tracking and implementation.

Subsequently, PFM reported that all recommendations had been implemented (memoranda dated September 20, 2007; September 28, 2007; May 2, 2008; September 29, 2008; September 30, 2009; and April 12, 2010). The audit report was closed on April 12, 2010.

## Scope and Methodology

The scope of this review was limited to determining whether the Park took action to implement the recommendations. To accomplish our objective, we reviewed the supporting documentation that Park officials provided and discussed actions taken relating to each of the twelve recommendations.

We did not perform any site visits or conduct fieldwork to determine whether the Park corrected the underlying deficiencies we initially identified. As a result, we did not conduct this review in accordance with the Generally Accepted Government Auditing Standards issued by the Comptroller General of the United States or the Quality Standards for Inspections of the Council of the Inspectors General on Integrity and Efficiency.

## Results of Review

Our current review found that the Park implemented Recommendations 3, 4, 5, 7, 8, 9, 10, 11, and 12 but did not implement Recommendations 1, 2, and 6. We are requesting PFM to reinstate Recommendations 1, 2, and 6 and take the appropriate follow-up action.

**Recommendation 1:** Update and revise the Park's GMP [General Management Plan] and related plans to verify the appropriateness of the Park's strategic course and associated goals, thereby ensuring suitable efforts are made toward long-term resource preservation and visitor satisfaction.

**Action Taken:** The Park is currently in the process of updating the GMP, which now includes a wilderness study. A record of decision is expected in 2014.

Because the GMP is still in draft, we conclude that this recommendation is resolved but not implemented.

**Recommendation 2:** Develop an integrated CSP [Commercial Service Plan] that identifies the appropriate commercial services needed and the best practices to manage these services.

**Action Taken:** The Park is developing a CSP as a part of its efforts to develop the GMP.

Because the GMP is still in draft, we conclude that this recommendation is resolved but not implemented.

**Recommendation 3:** Establish and implement procedures to ensure commercial air and bus operators accurately report and pay required fees on time.

**Action Taken:** PFM's memorandum dated September 29, 2008, provided documentation of the Park's efforts to implement this recommendation. The Park created a Web page on their Web site titled "Doing Business with the Park." The



Web page outlines the Park's authority to issue commercial use authorizations, information on insurance and reporting requirements, and entrance and permit fees. We also learned that commercial use authorization holders are required to attend an 8-hour certification course, which covers interpretation, compliance, and safety.

Based on this information, we consider this recommendation resolved and implemented.

**Recommendation 4:** Enforce concession contract terms that require the concessioner to pay its fair share of water service operating costs and to provide quality service.

**Action Taken:** In our May 15, 2006 referral memorandum to PFM, we stated that based on the National Park Service's (NPS) response to the final report, dated March 1, 2006, we considered this recommendation resolved and implemented. During the verification review, we learned that currently there is no concession contract, but the Park is in the process of executing a new one.

Based on this information, we considered this recommendation resolved and implemented.

**Recommendation 5:** Proactively plan for the new concession contract, including determining the value of the concessioner's capital improvements and resolving possessory interest issues.

**Action Taken:** In our May 15, 2006 referral memorandum to PFM, we stated that based on NPS's response to the final report, dated March 1, 2006, we considered this recommendation resolved and implemented. During the verification review, we learned that currently there is no concession contract, but the Park is in the process of executing a new one.

Based on this information, we considered this recommendation resolved and implemented.

**Recommendation 6:** Develop an integrated CIP [Comprehensive Interpretive Plan] that identifies the interpretive service operations that are or should be available from the Park, and how interpretive service needs will be met through a combination of NPS staff, concessioners, and Park cooperators.

**Action Taken:** The Park has not developed an integrated CIP. The Park has had a Project Management Information System (PMIS) statement to request funding for a CIP for approximately 6 years, but it has not received any funding.

Because the CIP is planned but not funded, we consider this recommendation resolved but not implemented.

**Recommendation 7:** Develop and implement a plan to complete comprehensive condition assessments. The plan should address strategy, priorities, and target dates for completing all assessments.

**Action Taken:** To manage its facility assets more effectively, the Park developed a 10-year Park Asset Management Plan. This plan describes its asset inventory, summarizes its current budget, communicates funding requirements, and provides strategies to focus funding on assets essential to preserving park resources. In addition, the plan also addresses the strategy, priorities, and target dates for completing all assessments.

Based on this information, we consider this recommendation resolved and implemented.

**Recommendation 8:** Determine the feasibility of contracting additional maintenance projects to the private sector to better use Park resources.

**Action Taken:** The Park created a position paper that outlines their methodology for evaluating the method of work for a project. The position paper states that the Park has an ongoing routine of evaluating each PMIS project submission twice for method of work. The criteria used is based on complexity and scope of work, historical sensitivity of work, estimated value of work, and the abilities and skills of the day labor work force. All large projects that are more than \$500,000 are scoped for contract work and smaller projects are evaluated on a case-by-case basis. In addition, in fiscal year 2009, the Park hired a new Chief of Maintenance and a new Park Engineer who both have experience in managing maintenance programs using contracts for construction and major repairs. For fiscal year 2009, 30 percent of the total maintenance projects and more than 55 percent of the high cost maintenance and construction projects were contracted out.

Based on this information, we conclude that this recommendation is resolved and implemented.

**Recommendation 9:** Fully use the PMIS to oversee maintenance projects.

**Action Taken:** In NPS's response to the final report, dated March 1, 2006, the Park stated that it conducted PMIS training in August 2005. During our verification review, we confirmed that PMIS training is still being provided through DOI Learn.

Based on this information, we consider this recommendation resolved and implemented.



**Recommendation 10:** Reduce the number of purchase cardholders and lower charge limits based on a combination of historical use information and cardholder position responsibilities.

**Action Taken:** In our March 2006 audit report, we found that the Park had issued purchase cards to 45 employees. During our verification review, we found the Park had reduced their purchase cardholders to 23. In addition, the Regional Director, Pacific West Region issued a memorandum informing the Region it must reduce the number of charge cardholders with purchase authority by 50 percent. We learned that for the Pacific West Region to meet the goal of 50 percent reduction, they would remove purchase authority from cardholders who made 50 or fewer purchases in the past 3 years.

Based on this information, we conclude that this recommendation is resolved and implemented.

**Recommendation 11:** Accept credit cards as payment for entrance fees.

**Action Taken:** The Park now accepts credit cards as payment for entrance fees.

Based on this information, we consider this recommendation resolved and implemented.

**Recommendation 12:** Enforce the NPS requirement for reporting museum property losses.

**Action Taken:** The Park has enforced the NPS requirement for reporting museum property losses by completing a statement of circumstances for missing museum property under review for deaccession on May 17, 2007.

Based on this information, we consider this recommendation resolved and implemented.

## **Conclusion**

We informed Park officials of the results of this review on September 5, 2012. Park officials agreed with the results of our review. If you have any questions about this report, please contact me at (916) 978-5653.

cc: Cindy Orlando, Superintendent, Hawaii Volcanoes National Park, National Park Service  
Sharon Blake, Liaison Officer, Office of Financial Management  
Vera Washington, Liaison Officer, National Park Service